



UNITED STATES
CIVILIAN BOARD OF CONTRACT APPEALS

March 24, 2015

CBCA 4264 - RELO

In the Matter of EMELDA J. HADLEY

Emelda J. Hadley, Houston, TX, Claimant.

Gilbert E. Teal II, and William J. Bailey, Jr., Office of General Counsel, Defense Contract Management Agency, Fort Lee, VA, appearing for Defense Contract Management Agency.

DANIELS, Board Judge (Chairman).

The Defense Contract Management Agency (DCMA) transferred Emelda J. Hadley from Kuwait to Houston, Texas, in November 2012. Among the benefits granted Ms. Hadley for this relocation was reimbursement of the transactional expenses she might incur in buying a new home in the Houston area. Ms. Hadley's original orders provided that this benefit would be available for one year from the date she reported to her new duty station. The agency later granted her a one-year extension of her entitlement to receive this benefit. Ms. Hadley sought but was denied a second extension. She asks the Board to reverse the agency's denial of her request. As we explain below, we cannot do so.

Statute provides that subject to regulations issued by the Administrator of General Services, an agency shall pay to or on behalf of an employee who transfers in the interest of the Government, from a post of duty located outside the United States to a post within this country, expenses of the purchase of a residence at the new official station that are required to be paid by the employee. 5 U.S.C. §§ 5724a(d)(2), 5738(a)(1) (2012). The regulations issued by the Administrator, the Federal Travel Regulation (FTR), specify the circumstances under which real estate transaction expenses are reimbursable. These regulations are implemented for civilian employees of the Department of Defense in the Joint Travel Regulations (JTR).

The FTR limits the time within which a transferred employee may avail himself of this benefit: settlement of the purchase must occur not later than one year after the day the employee reports for duty at his new post. 41 CFR 302-11.21 (2012). The agency may extend the one-year window for up to one additional year, for reasons beyond the control of the employee and acceptable to the agency. *Id.* 302-11.22. The JTR echo the FTR and state emphatically, “**There is no authority to waive the 2-year time limitation under any circumstances.**” JTR 5750-C.10 (emphasis in original).¹

After moving to Houston, Ms. Hadley sold her home at her previous United States duty station at a financial loss. She asked DCMA for a second year in which to buy a new home and have the Government pay the transaction costs of doing so. The agency granted the additional year, to afford her time to recover from the loss and amass sufficient funds to buy a house.

As the second year was about to expire, Ms. Hadley requested another extension of time. She explained that due to various personal reasons, she had been unable to purchase a home within the two-year period. The agency denied her request, noting that the cited FTR and JTR provisions forbade granting it. Ms. Hadley asks the Board to consider the reasons cited as grounds for granting a third year of eligibility for real estate transaction expenses.

The regulations explicitly limit the reimbursement period to a maximum of two years. DCMA properly relied upon this regulatory limit and previous Board decisions when it denied Ms. Hadley’s request for an additional extension beyond the two years already granted. As we explained in *Jay Kruise*, CBCA 985-RELO, 08-1 BCA ¶ 33,865, and *Richard O. Dickson*, CBCA 2793-RELO, 12-2 BCA ¶ 35,133, the regulations do not grant any authority to an agency or the Board to extend the period of eligibility, even if a good reason is cited for an extension. Regardless of Ms. Hadley’s circumstances, her request must be denied.

STEPHEN M. DANIELS
Board Judge

¹ As always, we cite to the version of the JTR which was in effect on the day the employee reported for duty at the new duty station.